UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

| VECTOR PIPELINE L.P. |) | FE DOCKET NO. 00-89-NO |
|----------------------|---|------------------------|
| | | |

ORDER GRANTING BLANKET AUTHORIZATION TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1647

NOVEMBER <u>15</u>, 2000

I. DESCRIPTION OF REQUEST

On November 14, 2000, Vector Pipeline L.P. (Vector), filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)^{1/2} and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting authorization to export up to 10 billion cubic feet of natural gas to Canada for line pack and testing purposes on its new facility. Vector requests that the term of the authorization be for two years beginning on the date of issuance of the authorization. This gas would be exported under short-term and spot purchase arrangements. Vector will act on its own behalf as well as the agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Vector has been evaluated to determine if the proposed export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Vector to export natural gas to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

<u>1</u>/ 15 U.S.C. § 717b.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Vector Pipeline L.P. (Vector) is authorized to export up to 10 billion cubic feet of natural gas to Canada over a two-year term beginning on the November 15, 2000, and extending through November 14, 2002. This gas may be exported at any United States/Canada border point.

B. With respect to the natural gas exports authorized by this Order, Vector shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether exports of natural gas have been made during that quarter. Quarterly reports must be filed whether or not initial deliveries have begun. If no exports have been made, a report of "no activity" for that calendar quarter must be filed. If exports have occurred, Vector must report monthly the following: (1) total volumes in Mcf; (2) the average purchase price of gas per MMBtu at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the U.S. transporter(s); and (7) the point(s) of exit. [OMB No.: 1901-0294]

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than January 30, 2001, and should cover the period from the date of this Order until the end of the fourth calendar quarter December 31, 2000.

D. The quarterly report required by Ordering Paragraph B of this Order shall be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

Issued in Washington, D.C., on November 15, 2000.

John W. Glynn Manager, Natural Gas Regulation Office of Natural Gas & Petroleum Import & Export Activities Office of Fossil Energy